

## **The Alberta Advantage – \$7 Billion and Counting...**

*By Bruce Graham*

“Calgary’s economy is performing at a tepid pace, one that will likely be the new norm for a few years to come as the global economy finds its footing again.” As stated in the Calgary Economic Development semi-annual State of the Economy report released in June 2010, this paints a realistic picture of our economic recovery.

Likely, the worst is over, but it still will be some time before the economies of the US, Europe and Japan will see a return to a robust and sustained period of growth. It’s times like these when we need to turn our attention to the future; to focus on building a stronger, more diverse, and sustainable economy. Our government leaders should turn their attention to the international marketplace, proactively marketing our assets, our distinct advantages, and the tremendous opportunities here in Alberta. The global economic environment for business investment is competitive; emerging markets such as Brazil, the Middle East, India and China are flexing their muscles and Alberta needs to step up to play.

Alberta is in the best fiscal position of any province or state in North America. We benefit from a vast wealth of natural resources, a low tax regime, low crime rates, a high-quality education system, a clean environment, a wealth of recreational and cultural experiences, an ample supply of highly-skilled and semi-skilled labour at reasonable costs, a relatively inexpensive energy supply, and geographical proximity to the United States market.

Alberta’s largest and most important trading partner, by far, is the United States, which can leave us vulnerable if we don’t diversify our markets. Part of our future effort to grow our economy needs to focus on emerging markets and most notably, China, whose companies are investing nearly \$7 billion in Alberta-based oil sands projects this year alone with more to come.

We have what the world needs – energy – and we have tremendous opportunity to access new capital and markets by tapping into emerging markets and seeking new international business investment. Worldwide energy demand is expected to grow by 50 per cent over the next 30 years, and the expansion of our investor base will help us ensure our leading industry is doing its very best to meet these demands. We need to share our story through more proactive and targeted marketing to investors who can help us reach our goals.

In the face of economic hardship, our ability to draw increased international investment will be a validation of international opinion of the attractiveness of Alberta's economy. As global economic growth emerges, now is the time to talk about Alberta's attractiveness, to develop a targeted investment attraction strategy and ensure a positive international opinion of doing business in Alberta.

Investors are looking for a stable environment to invest their dollars and Alberta, because of our numerous assets, weathered the economic recession better than many global cities. Don Coxe, Strategy Advisor, BMO Capital Markets says, "Canada will soon be recognized by the world as a haven for global investors." He continues, "The powerful performance of Canada's financial system and the Canadian bond market means the Canadian dollar is also taking on haven aspects at a time financial storms seem to be developing around much of the world" – confirmation that Alberta is well positioned to capitalize on this investment 'haven'.

The ten-year Calgary Economic Development Strategy identifies the need to position Calgary and Alberta as a centre for international business. The June 29<sup>th</sup> opening of the Global Business Centre for Southern Alberta demonstrates the timely importance of international business attraction and investment. This new business resource will provide a wide range of programming which will service investors looking do business in our province and will also assist Alberta companies as they seek to export their products and services internationally.

Our international profile and our ability to engage international opportunities will define the Alberta Advantage going forward.

What are we waiting for? Now is the right time to promote our opportunities, diversify our marketplace, package our advantages and support our leaders to be where in the world the investment decisions are being made. The opportunities presented and the decisions made to promote our city and province today will shape Alberta in the future.